Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 1284 (Smallwood-Cuevas) – As Amended May 14, 2026

Policy Committee:	Health	Vote:	12 - 2
	Labor and Employment		5 - 2

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill requires the Department of Health Care Services (DHCS) publish a report detailing, for employers of at least 100 employees, how many of the employers' employees are enrolled in Medi-Cal, and related information. The bill also authorizes data-sharing for the purpose of developing the report and prohibits an employer from discriminating against an employee or applicant based on Medi-Cal enrollment status.

For a detailed enumeration of the provisions of this bill, please refer to the Assembly Health Committee analysis or the Assembly Labor and Employment Committee analysis.

FISCAL EFFECT:

1) The Employment Development Department (EDD) estimates costs of approximately $100,000 in one-time costs and $100,000 in ongoing costs to provide data to DHCS (General Fund (GF)). However, EDD states it is unlikely to be able to provide the data due to federal compliance concerns.

2) DHCS estimates, contingent on EDD being able to share the requisite data, one-time costs of approximately $207,000 to $232,000 Total Fund (TF) ($114,000 to $136,000 (GF) and $93,000 to $96,000 Federal Fund (FF)) for fiscal year (FY) 2026-27 for system changes to the California Healthcare Enrollment Eligibility Retention System and one staff position.

   DHCS also anticipates costs of $945,000 TF ($474,000 GF and $471,000 FF) for FY 2027-28 and $899,000 TF ($450,000 GF and $449,000 FF) for FY 2028-29 and ongoing, for five additional full-time staff.

3) The Labor Commissioner's Office estimates costs of $200,000 per year (Labor Enforcement and Compliance Fund) to enforce the prohibition on discriminating against an employee or applicant based on Medi-Cal enrollment.

COMMENTS:

1) **Purpose.** This bill is co-sponsored by California Federation of Labor Unions, AFL-CIO; End Poverty in California; SEIU California; and United Food and Commercial Workers Western States Council. According to the author:

> Today, more than 3 million working Californians rely on Medi-Cal because their employers do not provide affordable health insurance. Nearly one in five jobs in California is held by a worker enrolled in Medi-Cal, representing over $20 billion annually in public spending tied to the workforce.
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> When companies fail to provide affordable coverage or livable wages, Medi-Cal fills the gap. That means taxpayers are subsidizing a significant share of health care costs for California's low-wage workforce...If taxpayers are covering the cost of health care for a company's workforce, the public deserves to know. SB 1284 brings transparency and accountability to this issue by requiring the California Health and Human Services Agency to publish the names of employers with workers enrolled in Medi-Cal, along with the estimated annual cost to the program associated with those employees.

2) **Background.** The state does not require employers to offer health insurance. However, employers are subject to the requirements of the federal Affordable Care Act, under which most employers with an average of 50 or more full-time equivalent employees in a calendar year must offer their full-time employees minimum essential health coverage that is affordable and provides a minimum value, as defined, or potentially make an employer shared responsibility payment to the Internal Revenue Service. This requirement is commonly known as the "employer mandate."

   According to research by the UC Berkeley Labor Center (Labor Center), one in five California workers is enrolled in Medi-Cal. Low-income workers are less likely to have coverage through their job, and certain industries are more likely to employ workers who are also enrolled in Medi-Cal, including agriculture, forestry, fishing, mining, bars, food service, administrative and building services, and retail. The Labor Center estimates the state will spend $36 billion, including state and federal dollars, to provide Medi-Cal coverage to workers in FY 2026-27.

   AB 1792 (Gomez), Chapter 889, Statutes of 2014, was substantially similar to this bill. In 2014, the US Department of Labor (DOL) notified EDD that federal regulations prohibit publishing the information in the AB 1792-required report, stating that federal law requires unemployment compensation (UC)-related information be kept confidential to avoid deterring either unemployed workers or employers from participating in the UC program. As a result, the AB 1792 report was never created. DOL recently sent a similar letter to EDD in relation to this bill. However, the sponsors of this bill note other states have successfully implemented similar laws.

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